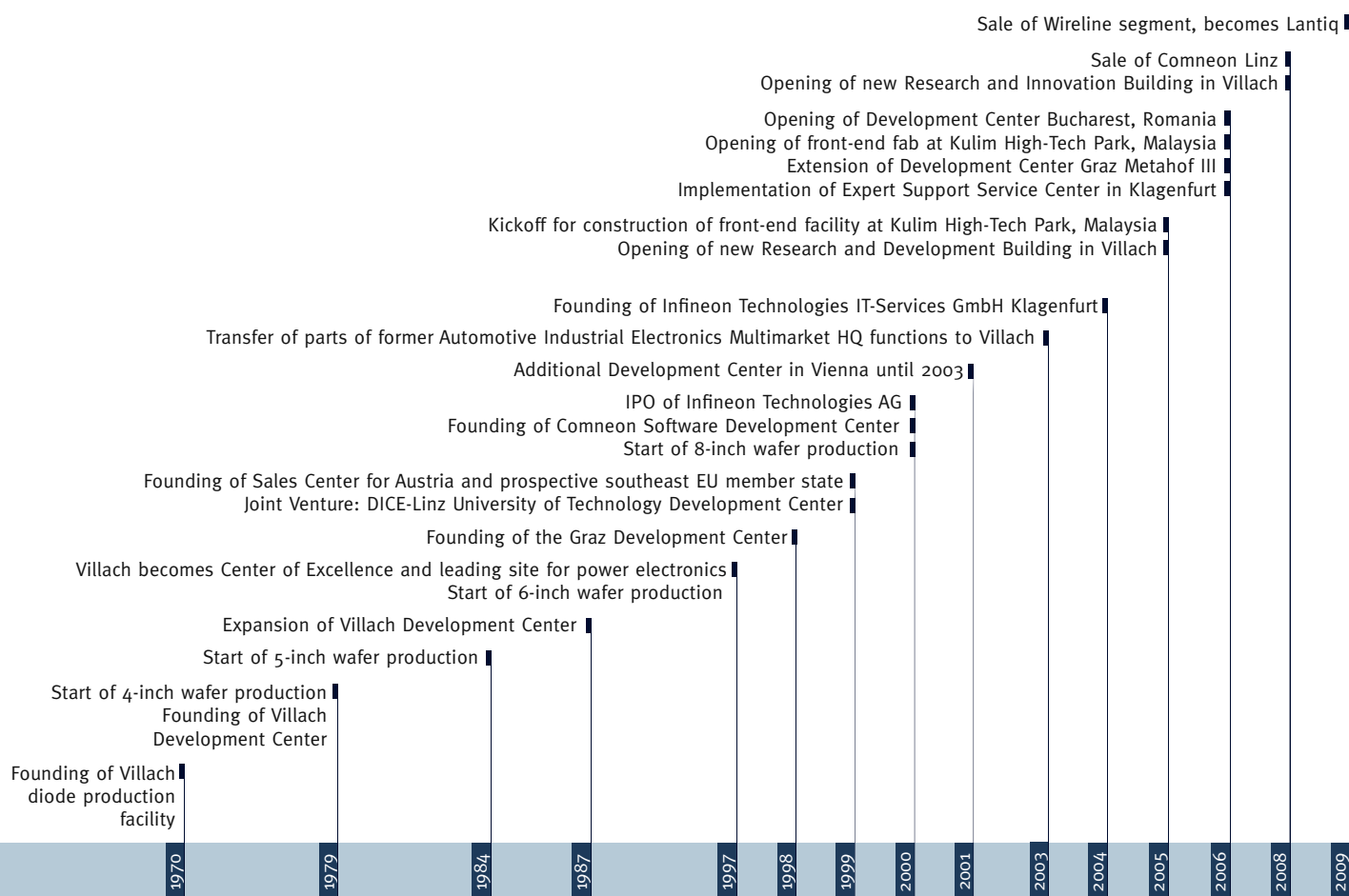
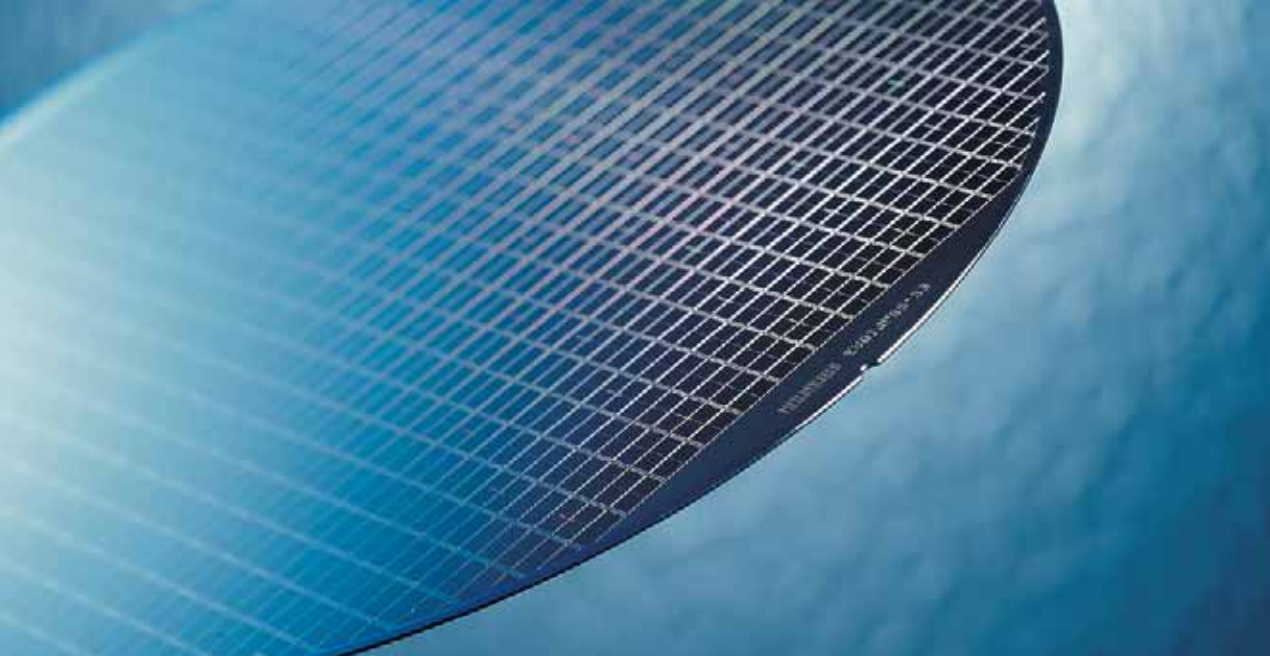




Infineon Technologies Austria AG

Infineon Austria Timeline





2 - 5	Infineon Technologies Austria AG - an overview
6 - 7	Infineon is Committed to Innovation
8 - 12	Leading Position in Research and Development
13 - 16	Innovation Fab for Power Semiconductors
17 - 19	People Are Our Success
20 - 21	Protection of Human Beings and the Environment

Contents



Infineon Technologies Austria AG - an Overview

Infineon Technologies is one of the world's leading suppliers of semiconductor and system solutions for applications shaping tomorrow's world: energy efficiency, mobility and security. Headquartered in Villach, Infineon Technologies Austria AG belongs to the Infineon Technologies Group. In the last decades it has established itself as a key, Austria-based company vested with global responsibilities. Thus, over recent years, Infineon has expanded its activities in Austria, particularly in the Automotive and Industrial & Multimarket business segments.

An international team of staff from some 40 nations is engaged in the research, development and production of microchips and contributes to the company's success at the Villach, Klagenfurt, Graz, Linz and Vienna sites.

Microchips for applications in the mobility, industrial and security sectors are developed and produced at Infineon in Austria. By drawing on our technological expertise, we set trends and build on our strengths along the entire value chain. Our quest is to impress our customers by coming up with high-quality, pioneering products in an innovative environment.

2020 Strategy

Infineon Technologies Austria has forged a "2020 Strategy" to identify the core competencies of Infineon in Austria, to actively promote Infineon's success worldwide and to sustainably secure the economic future of Austria as a business location.

Due to the synergy of research and development, production and business responsibility for defined Infineon segments, we have comprehensive know-how particularly in one of the three areas on which Infineon focuses: the wide market



Mag. Monika Kircher-Kohl
Chief Executive Officer (CEO)



DI Reinhard Petschacher
Chief Technology Officer (CTO)

for energy-efficient applications. Austria also contributes excellent know-how to the Group's goals in another area on which Infineon focuses: security applications, particularly applications for contactless chip technologies as are used, for example, in new passports. Furthermore, we concentrate our technical expertise on sensor technology, which is currently gaining in importance for electric vehicles in the mobility sector, and are committed to providing innovative solutions for our customers. First-class innovation management and a deeply rooted culture of innovation lay the foundations for our work. In forging the 2020 strategy, we are actively shaping our future to achieve the economic goals of the company overall.

The effectiveness of the strategy and quality of the management is reviewed in our annual Management Self Assessment (MSA) conducted according to EFQM (European Foundation for Quality Management) methodology. In so doing, we work systematically and consistently on the improvement of our organization.

Focus on Energy Efficiency

Energy efficiency is one of the core areas to which Infineon dedicates itself worldwide and, as energy resources dwindle and energy requirements rise, it is of great importance across the globe. Infineon's advanced semiconductor solutions provide cutting-edge technologies for generating, transmitting and using energy. Vested with international responsibility for Power Management Supply & Discretes, Infineon Austria makes a major contribution to the success of these energy-saving chips. The time-honored tradition of collaboration between development and production at the Villach site creates synergies and forms a sound basis for the market success of these products. In the Automotive segment we possess outstanding development expertise that is deployed, for instance, in technologies for hybrid drives or electric vehicles.

By setting up the DC/DC Center of Excellence in Villach, where development know-how is pooled in power management units, Infineon Austria is poised for another market of the future in the field of energy efficiency. This technology is needed to adapt the voltage in both battery-operated and more complex power supply units to the respective consumers by means of DC/DC converters. The Infineon-wide responsibility for parts of the ASICs & power ICs (application-specific integrated circuits and power semiconductors) stands testament to the expertise in this field.



Center of Excellence for Tire Pressure Sensors

Infineon Technologies Austria was vested with another area of global responsibility when in 2010 the development expertise for tire pressure sensors was pooled. The development of Tire Pressure Monitoring Systems (TPMS) was focused on the Development Center Graz. Parts of production are carried out at the front-end plant in Villach and quality inspection is performed at the Reliability Product Testing Center in Villach.

Reliability Product Testing Center

In 2004, the reliability testing of semiconductor products for automotive and industrial applications (RPT laboratory) was moved from Munich to Villach. The laboratory is responsible for carrying out reliability tests on technologies and products. The results gained in the process are used, for instance, as the basis for releasing the production and the delivery of new products.

Technology & Innovation

Within Infineon's Industrial and Multimarket (IMM) segment, the global responsibility for Technology and Innovation (TI) was assigned to Austria. Key areas here are, for instance, developing the roadmap for innovation processes, coordinating over 600 R&D personnel, establishing the global strategy for development sites and continually improving the quality and productivity of IMM's research and development work. The entire intellectual property management, including patents for IMM products, is steered from Villach.

Global IT Management in Klagenfurt

Another global center of excellence is Infineon Technologies IT-Services GmbH, based in Klagenfurt's Lakeside Science & Technology Park. Since 2004 it has held global responsibility for IT Infrastructure (architecture, technical design, standards for computer systems, office integration and system monitoring solutions, IT service desk), Manufacturing IT (software solutions for microchip manufacture), Enterprise Application Platforms (architecture, design and operation of platforms, such as for SAP, and data exchange between systems) and IT Business Intelligence (reporting and analysis systems for staff at the sites, solutions for the control of microchip production).

Satisfied International Customers

Many international customers come to Villach to witness the high quality of our development and production and are impressed by our processes. In the last fiscal year alone, there were 23 audits and customer visits from Europe, North America and Asia. Consistently positive feedback and awards such as "preferred supplier" are endorsements of our service quality.



Partnerships in Industry and Research

An important factor in Infineon's success is the collaboration with industry and research institutes at home and abroad. Infineon Technologies Austria is involved as a member of clusters particularly in those states where we have a strong business presence, i.e. in Carinthia, Styria and Upper Austria. Companies use their diverse capabilities and resources within these networks to boost international competitiveness.

With a view to the future role of electromobility, Infineon Austria is involved together with top industry, research and energy management companies in the nationwide "Austrian Mobile Power" platform aimed at promoting electromobility concepts and at putting 100,000 e-cars on Austrian roads by the year 2020.

Responsibility for Austria's Standing

Austria has earned a very good reputation as a business and technology location in Europe. Contributing factors are the excellent quality of life, the social security and the social partners' ability to achieve consensus. The economic framework conditions, attractive fiscal system, multitude of direct and indirect research funding programs and the highly qualified work force are among the major site advantages for multinational corporate groups heavily engaged in research, as Infineon is.

In entering into cooperative ventures and initiatives in research and education, Infineon Austria displays its commitment to securing Austria's good position on the global market. By so doing, it supports the strategy pursued by the Austrian Council for Research and Technology Development of achieving a leading position for Austria in international information and communication technology (ICT) research by the year 2020.

Infineon is an initiator and one of the founding members of the Carinthian International Club. Founded by Carinthian companies, the Federation of Carinthian Industry, Carinthia University of Applied Sciences and the University of Klagenfurt, the club facilitates integration into (working) life in Carinthia for foreign workers and their family members (see <http://www.cic-network.at>).

As a Leading Competence Unit (LCU) of a multinational enterprise, Infineon Austria is an important pillar of the economy in Austria. The innovative strength and value added is of great significance for the region. Infineon is the largest employer in Carinthia's private sector.

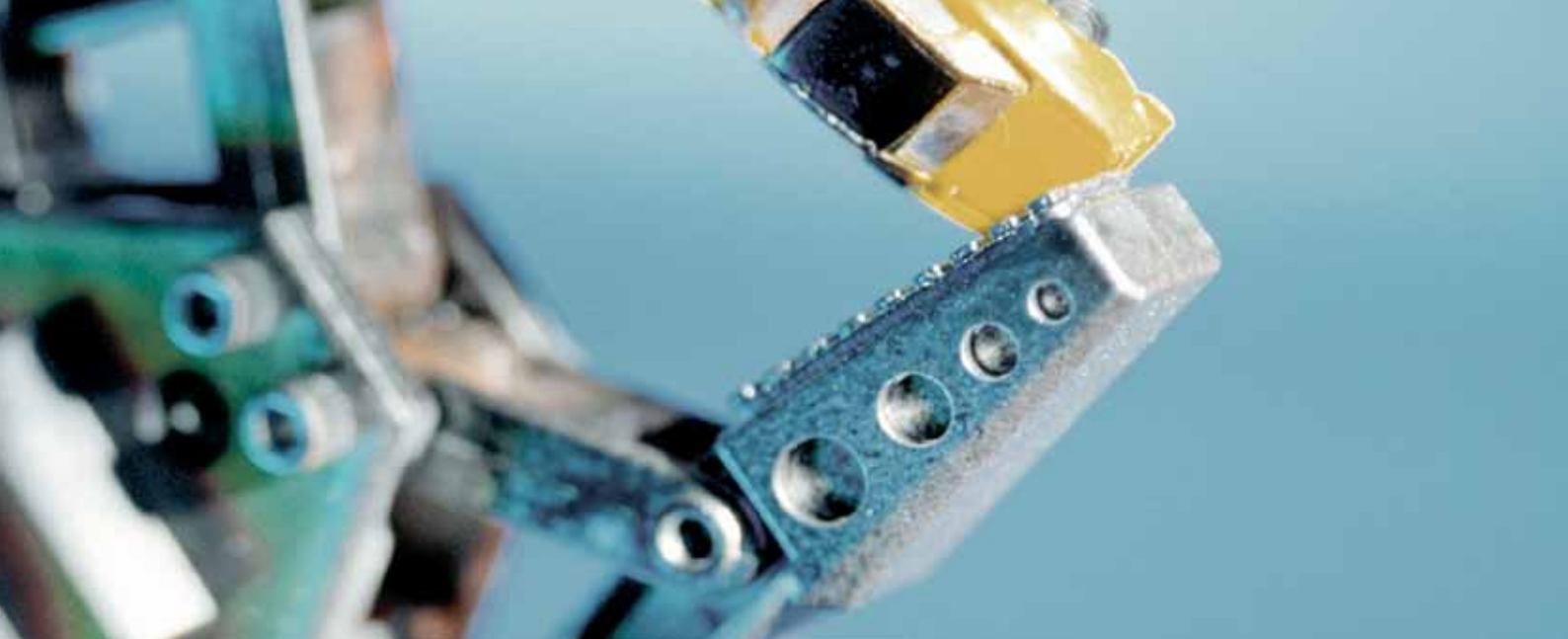


Infineon is Committed to Innovation

Infineon Austria has committed itself to an innovation initiative across all divisions of the company with the aim of intensifying collaboration between research, development and production in areas where specialist knowledge comes together. This bedrock fosters a culture of innovation which promotes the potential of employees and creates the scope for new ideas.

In 2008, Infineon Technologies Austria launched an innovation drive to press ahead on areas decisive for market success in the future. Infineon Austria is pushing the envelope in all the divisions - from research and development, through production, all the way to personnel management. The first successful projects have already been completed: take, for example photovoltaics. Here Infineon semiconductors are instrumental in significantly increasing the efficiency of solar systems by halving the inevitable inverter losses. Another example is the manufacturing automation initiative where the use of innovative robot systems delivers a clear improvement of quality for man-machine systems in complex wafer manufacture.

Finally, the feasibility study conducted by Infineon Austria as an innovation project for the 300 mm thin wafer manufacture of power semiconductors also led to the Group decision to start a pilot line (see “Innovation Fab for Power Semiconductors”).



Focal Areas of Innovation

“It is important, particularly in an economically difficult environment, to future-proof Infineon and hence also Austria as a business location by investing in innovation projects. We expand our core competencies and, to this end, we need the input and ideas of each and every individual”,

says Reinhard Petschacher, CTO Infineon Austria, underlining the importance of innovation.

In following its strategic roadmap up to 2020, Infineon seeks to develop its role in Austria as a center of innovation, to extend its expertise in Infineon’s focal areas of energy efficiency, security and mobility as well as, at a technical level, sensor technology. In terms of production, more energy and resolve is to be put into positioning Villach as an innovation fab than before.

An Important Basis: A Culture of Innovation

An important basis for innovation to thrive is the company’s culture of innovation. Initiatives are formed in the human resources department to create the vital conditions for innovation processes and prepare the ground for an innovative environment (see also the section headed People are our Success).

In addition, the “Innovation Days” have created a platform for sharing experiences, exchanging ideas and giving fresh impetus. The events make the importance of innovation for the company and the subjects of the ongoing innovation campaign transparent to all the employees and they strengthen the culture of innovation and cross-divisional collaboration. Furthermore, the annual Infineon Technologies Austria Innovation Award was conferred for the first time in 2009. This award carries prize money of Euro 5,000 in each of three categories and is given in recognition of employees’ exceptional, innovative achievements.

Innovation for the Success of Austria as a Business Location

Innovation is an important basis for Infineon in the same way as it is for Austria as a location for business and technology. To ensure that we continue to be seen as an important high-tech location in Europe, we are committed to innovation and we back a consistent strategy of innovation with research, science, education and innovation as the supporting pillars in Austria.



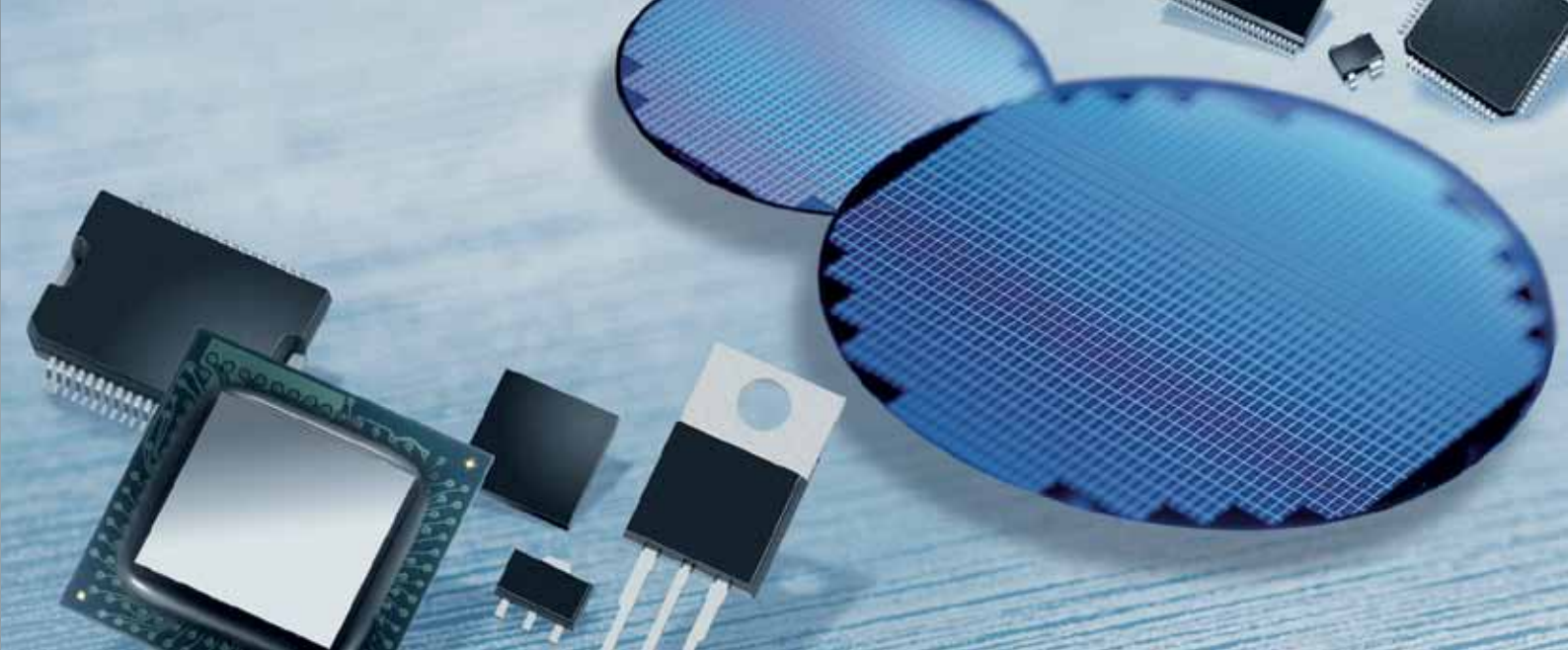
Leading Position in Research and Development

Semiconductor solutions for automotive, industrial and security applications - for example, sensors for measuring tire pressure, chips for engine management systems, energy efficiency chips or contactless security chips for ID documents - those are the areas Infineon Austria concentrates on at its sites in Austria. The specialists' work is characterized by the shortest time for development, high quality and a focus on customized system solutions.

Some 900 experts are engaged in research and development for Infineon at the Villach and Graz Development Centers, at the DICE affiliate in Linz and at the Infineon Technologies IT-Services GmbH subsidiary in Klagenfurt. Infineon Technologies Austria AG has strongly expanded its competence in recent years thanks to research and development of an internationally outstanding standard and is increasingly assuming research responsibilities for the global Infineon Group.

R&D with International Expertise

Our researchers make a substantial contribution to the company's competitiveness by showing a strong presence at international conferences. In order to expand our leading technological position, we invest heavily in research, development and innovation projects. In the 2010 fiscal year, around Euro 196 million - equivalent to approx. 15 percent of total sales - was invested in research and development.



Energy-efficient Automotive, Industrial and Communications Solutions from Villach

Villach has been home to microelectronics development for three decades. The research and development carried out at the site consistently provides compelling high quality accompanied by short development time.

In holding the responsibility for the Power Management Supply & Discretes business, Villach is also responsible for the Infineon-wide development of energy-saving chips. Here the specialists attend primarily to increasing the energy efficiency and system miniaturization by innovative power semiconductors which reduce conversion losses along the entire energy value chain. These chips see to energy-efficient power supplies. They are used in industrial applications for computers, communications, consumer electronics and lighting, and they permit efficiency levels even far above 90 percent. An example of this successful development work is CoolMOST™, a technology for which Infineon won the 2001 Innovation Award of German Industry. Today it is being developed further in the fifth generation.

Another major area is the development of sensors for power electronics in the automotive industry. Even during the crisis in the automotive sector, the core competencies based in Villach were gradually strengthened and, during the upswing, they were expanded further. The latest developments for engine management, networked safety applications, body and convenience electronics are the basis for safe, energy-saving automobiles. The latest generation of sensors also opens up a new range of applications. New, highly integrated power technologies offer entirely new concepts for complex air bag systems, while our latest generation of control chips for dual lighting systems (optionally LEDs or conventional incandescent lamps) ranks among the products developed and manufactured in Villach.



A further field of development is mixed analog-digital ASICs, these being customer-specific integrated circuits for an array of applications in the consumer, telecommunications, computer or health sectors. Often these chips are used in combination with sensors and software and hence are already themselves complex systems.

Villach holds a leading position in the global competition with analog/digital and digital/analog converters. They are the fundamental circuit blocks for mixed analog/digital systems, whether in the automotive or industrial sectors. They make a significant contribution to strengthening our competitive position, as well as to setting our microcontrollers and our customized products apart.

Power management chips for data management and industrial systems are other focal areas of development. By setting up a DC/DC center of excellence, Infineon has responded to the global trend towards minimizing power dissipation and improving energy efficiency (charging and energy management). Work is being done here on energy-saving solutions for industrial or automotive applications by amalgamating development know-how.

Infineon possesses expertise in the radio frequency sector as is demonstrated by developments of radio frequency circuits used in wireless data exchange between devices, e.g. between sensors or chip cards and evaluation units, but also in radar-based safety systems.

Facts and Figures 2009-2010 FY

Infineon at a glance

As at September 30, 2010, incl. Austrian subsidiaries

Infineon Technologies Austria AG	
Sales	Euro 1,326.9 million
Profit on ordinary activities	Euro 153.6 million
Investments	Euro 40.6 million
R&D expenses as % of sales	15
Total employees	2,477
Patent applications filed in 2009/10 FY	154
Production volume in the completed financial year	17 billion chips

Infineon Technologies AG	
Sales*	Euro 3.3 billion
Employees worldwide	26,654

Infineon in detail

As at September 30, 2010, incl. Austrian subsidiaries

Employees	
Total no. of employees	2,477
Total no. of woman	295
R&D employees	approx. 900
Product & process development and quality assurance employees	approx. 300
Additional, permanent ext. employees through outside companies	approx. 1,300
Undergraduate/PhD project students**	73
Apprentices	37
Interns & vacation/industrial workers**	approx. 720
Research & Development	
Invention disclosures	222
Filed patent applications	154
R&D expenses as % of sales	15
Production	
Products (basic types)	1,400
Production volume	17 billion chips
Visits by customers	23

* Figures according to IFRS with Wireline and Wireless as discontinued operations; as of September 30, 2010

** Data aggregated over the 12 months of the last financial year

Infineon Technologies Austria AG continually receives awards from customers and public organizations in recognition of outstanding achievements in various areas of the company.

The most recent and most significant awards over the last years

Environmental Protection & Health

EMAS Award	2009
Seal of Approval for Workplace Health Promotion (3-year term)	2009, 2006
Healthy Austria Foundation "Workplace Health Promotion" 2 nd place	2008
Environment Ministry Award for Approved Environmental Management	2004
Eco-Audit Award	2001
AERA	2001

Equal Opportunities & Promotion of Young Talent

Business Award for Integration	2010
KNEWLEDGE State Award 2009	2010
Trigos Award Carinthia	2010, 2008, 2007
State Award for Equal Opportunities in Research and Development	2009
Special ebiz eGovernment Award	2009, 2008
ebiz eGovernment Award Carinthia	2008
Anton Benya Award	2008

Quality & Delivery Reliability

Artesyn "Strategic Supplier Status"	2010
Tridonic.Atco "Performance Certificate"	2010
Toyota „Best of Excellent Quality Award“	2009
Tridonic.Atco „Excellent Supplier 2008“	2008
European supply chain excellence award 2007	2008
Recognised for Excellence 4* qualityaustria	2008
Sony Energy Devices Appreciation Award	2007
Emerson Marquee Supplier	2007

Innovation

DICE - Innovation Award of Upper Austria 2010, 3 rd place in 2008	2010, 2008
Carinthian Innovation and Research Award	2009, 2005
FIT-IT Project Award "Beyond Serial CMOS Links"	2007
CONEX Business Process Award	2006
Leonardo Award	2004
German Innovation Award	2002
Austrian State Award for Innovation	2000

Changes and Events in the 2009/2010 Fiscal Year

Wireline Communications Business Segment became Lantiq

In July 2009 Infineon Technologies AG reached an agreement with the US investor Golden Gate Capital on the sale of its Wireline Communications (WLC) segment. The transaction was finalized through an affiliate of Golden Gate Capital by the name of Lantiq and the sale was closed in the last fiscal year, on November 6, 2009 to be precise. In Austria 91 employees transferred from Infineon to Lantiq A.

Intel to Acquire Wireless Solutions Business Segment

On August 30, 2010, Infineon Technologies AG and Intel Corporation announced having entered into an agreement in which Infineon is to sell the Wireless Solutions (WLS) business, which focuses on semiconductors for mobile phone platforms, to Intel in a cash transaction valued at approximately US Dollar 1.4 billion.

Foreign Subsidiaries of Infineon Austria

Infineon Technologies Romania SCS

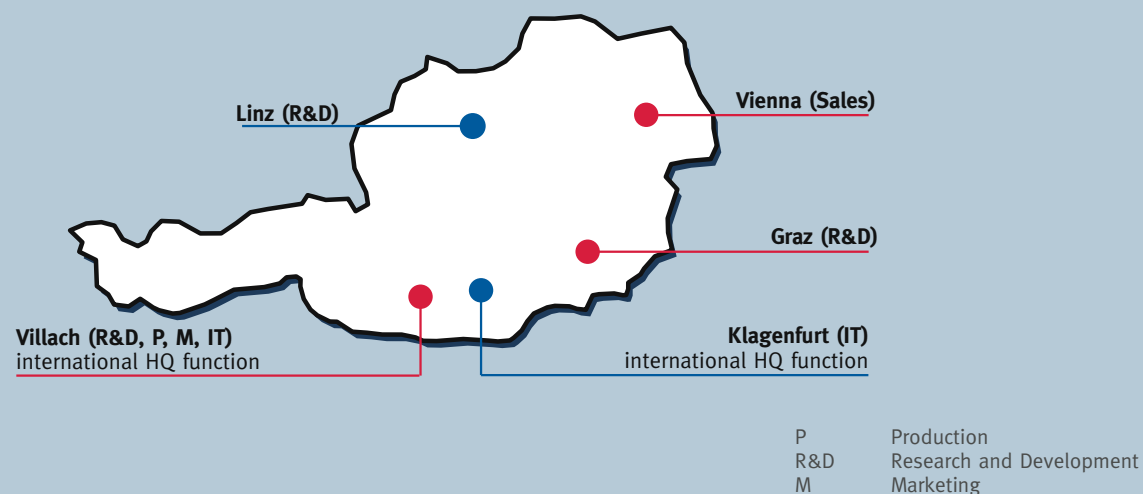
In April 2005, Infineon Technologies Romania SRL, a subsidiary of Infineon Technologies Austria AG, was established in the Romanian capital of Bucharest. The Development Center specializes in power semiconductors with analog and digital functions and extends the Infineon research cluster of Villach, Graz, Padua (Italy) and Munich (Germany) in this field.

Infineon Technologies (Kulim) Sdn Bhd

In September 2006, Infineon opened a front-end fab, again a subsidiary of Infineon Technologies Austria AG, at the Kulim High-Tech Park in Malaysia. Logic and power semiconductors for deployment in automotive and industrial applications are manufactured there. The production sites have thus been systematically expanded in terms of Infineon's presence in Asia, the market of the future.

Infineon Austria: An Overview

Infineon Technologies Austria AG including affiliates



Innovative semiconductor technologies

Global challenges in focus

We currently face a number of daunting challenges. The world's population is growing, more megacities are forming and demand for energy continues to spiral across the globe. In addition, the rising need for climate protection calls for new approaches and solutions in many facets of everyday life.

As we move forward, quality of life will hinge on innovative technologies that bring more efficiency to existing applications and systems, making mobility concepts more flexible and communications more secure. Powerful semiconductor technologies from Infineon already provide the building blocks for these new growth markets - and for a more sustainable future.

Energy efficiency



Electricity will remain our main source of power in the future. But we must use it economically. Which means we need efficiency-aware solutions. Infineon's semiconductor technologies are building more efficiency into the entire energy chain - from generation through transmission to the actual point of use. For example, Infineon chipsets help to feed wind power into the grid and maximize the energy efficiency of industrial processes.

Mobility



Everyone wants to be mobile. But growing urbanization and the pressing need to protect our climate call for new forms of mobility. Besides more energy-efficient solutions, we also need sustainable and affordable concepts for local and long-distance transport. From urban rail to high-speed intercity services, from e-bikes to electric vehicles, Infineon's semiconductors are enabling tomorrow's mobility solutions by harnessing energy efficiently.

Security



Our daily lives are shaped by digital services. And all modern communication networks, from the Internet to electronic passports - must be safeguarded against misuse and protect personal data. Security chips from Infineon not only transmit data quickly, they also use innovative encryption technologies to safeguard information and ensure privacy.



Global Center of Excellence for Contactless Chip Cards and Tire Pressure Sensors in Graz

The Development Center Graz, established in 1998, is the global center of excellence for contactless technologies in applications such as chip card and security ICs (integrated circuits), radio components for automotive applications and RFID (Radio Frequency Identification) solutions. Today, Graz DC is one of the largest Infineon Development Centers. Infineon has been the market leader in chips for card applications for twelve consecutive years (Frost & Sullivan 2009). The Graz team makes a significant contribution to achieving this status.

Here chips are developed which exchange their data with write/read devices using radio waves. Chips of this kind are used, for example, in chip card applications for local public transport, in electronic identification documents such as electronic passports, in payment systems for payment and credit cards, in automotive keyless entry systems and in monitoring tire pressure.

Since 2009 the Graz site has held global responsibility for all developments surrounding tire pressure monitoring systems. Automobile generators controlled by a module developed in Graz are one of two reference designs for this application for the German Association of the Automotive Industry (VDA). They ensure that the battery is always optimally charged and all the consumers in the automobile are supplied with power. System modules for the automotive industry, such as for high-precision automatic transmission control at lightning speed, are likewise developed in Graz.



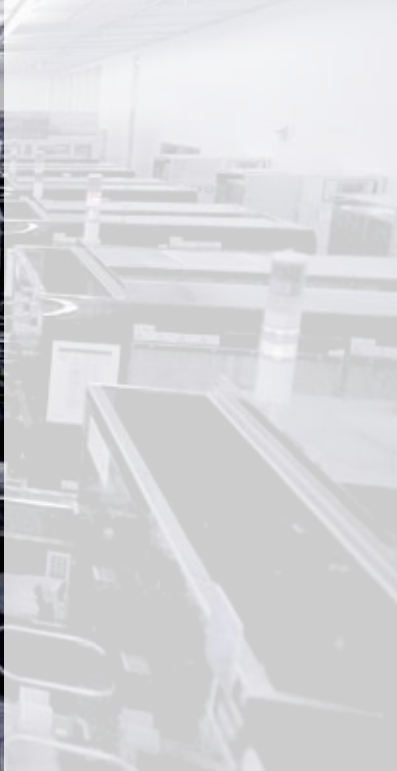
The Graz team's RFID developments have put them at the international forefront. RFID chips enable large quantities of goods to be rapidly identified, significantly simplifying the logistics process. Infineon's RFID chips are used in a host of applications to make life simpler and securer, ranging from automated libraries, through more convenient access to buildings, all the way to guaranteed availability and forgery-proofing of products of all kinds. A first-hand impression of RFID in operation can be gained at places such as the Vienna Main Library, Munich airport or the innovation fab in Villach or in Kulim, Malaysia.

Innovations for Mobile Communications from Linz

The Infineon affiliate DICE (Danube Integrated Circuit Engineering) is at the Linz research and development site.

DICE came into being as a spin-off from the Johannes Kepler University in Linz and looks back on a ten-year success story in the field of chip development for automotive and mobile phone applications.

One focal area is the development of integrated radar sensors for the automotive sector. DICE's sustained innovative strength in designing integrated circuits also results from close collaboration with nearby research establishments and universities such as the Johannes Kepler University in Linz or the University of Applied Sciences in Hagenberg.



Innovation Fab for Power Semiconductors

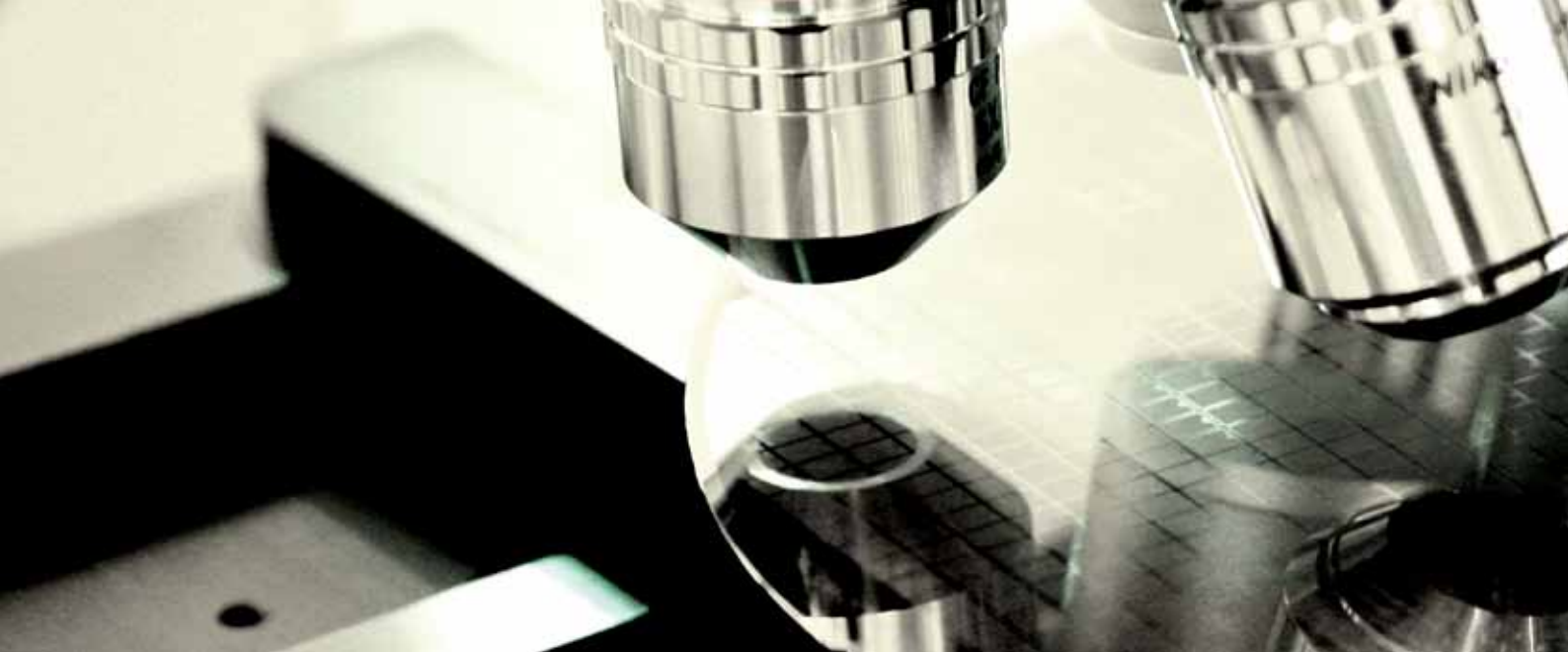
The microchip production facility in Villach is a center of excellence for automotive and industrial electronics. 98 percent of the production capacity in Villach is focused on these sectors. Infineon takes first place on the global market for such power semiconductors (IMS Research 2010) for the seventh consecutive time. The maxim is: zero defects for our customers, at all times and under all circumstances.

Around 1,400 products (basic types) are manufactured in Austria. In the last 09/10 fiscal year, nearly 17 billion chips left the facility. Production takes place in three manufacturing halls and one wafer-testing hall. The combination of development and production at the Villach site is a special feature within the Group and facilitates optimal pooling of expertise. The cross-divisional teamwork enables short turnaround times from inception to finished product.

To maintain the edge in terms of expertise, to use resources efficiently and so to satisfy customer requirements in the shortest possible time, Villach has joined forces with other sites in Europe and Asia to form a manufacturing cluster. Manufacturing know-how is exchanged here and ideal utilization of production capacity is achieved.

At the beginning of 2009 Infineon and the semiconductor industry as a whole were deeply affected by the global economic crisis, yet in the fall the Villach facility succeeded in swiftly ramping up capacity to meet the soaring customer demand.

Innovation Fab



First-Class Quality for Zero-Defect Chips

The industry sector calls for continuous improvement of product quality and increased efficiency. That is why the production process is certified under the ISO 9001:2000 and ISO TS 16 949:2002 (automotive standard) quality programs.

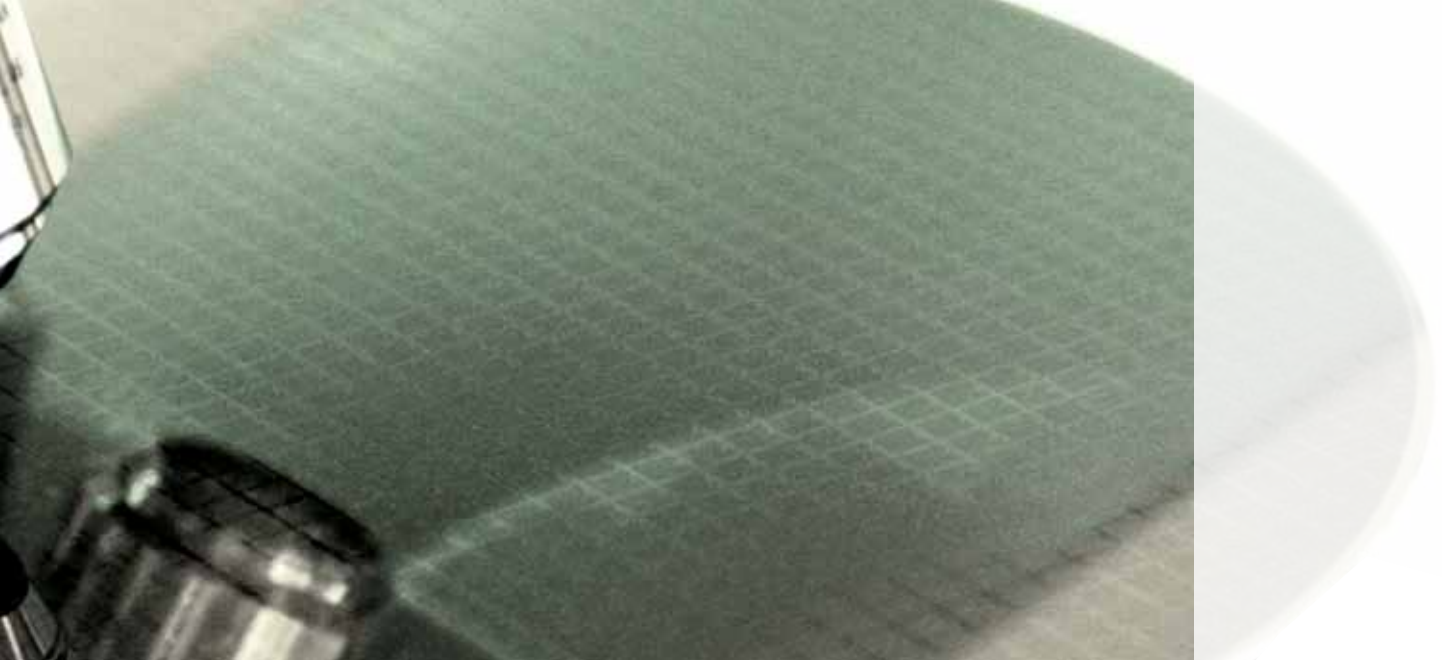
The primary goal is to ensure the supply of zero-defect chips to our customers. Safety is especially important in the automotive sector and therefore electronic defects are intolerable. To achieve this first-class quality we need highly qualified personnel. Furthermore, semiconductor manufacture requires that the raw materials and ambient air are of high purity.

Work in Villach is performed in Class One and Class Ten cleanrooms. Class One cleanrooms provide an environment where the particle count in 28 liters of air does not exceed three particles of a maximum diameter of 0.3 microns. By comparison, the same volume of normal ambient air contains about 1,000,000 particles. The chips are subjected to a variety of checks throughout the manufacturing process and their electrical functionality is tested after completion.

Minimum Feature Sizes - Maximum Performance

Villach is home to a front-end production facility where as many as 400 steps are carried out in producing electronic components on silicon wafers in various technologies and complexities. Feature widths of down to 0.25 microns have to be managed. By comparison, a human hair is approximately 70 microns in diameter.

Chip production is seeing a trend to larger wafer diameters, permitting an increase in the number of chips per wafer and a decrease in cost. In Villach, production is currently carried out in six- and eight-inch (150 and 200 mm) wafer technologies. Using other innovative basic semiconductor materials, such as silicon carbide (SiC), allows the production of particularly compact, fast-acting power packs operating with high reliability and lower power consumption. These products are made in four-inch/100 mm diameter. In September 2009 Infineon started setting up a pilot line in Villach for a one-year study into manufacturing power discretes on 300 mm thin wafers.



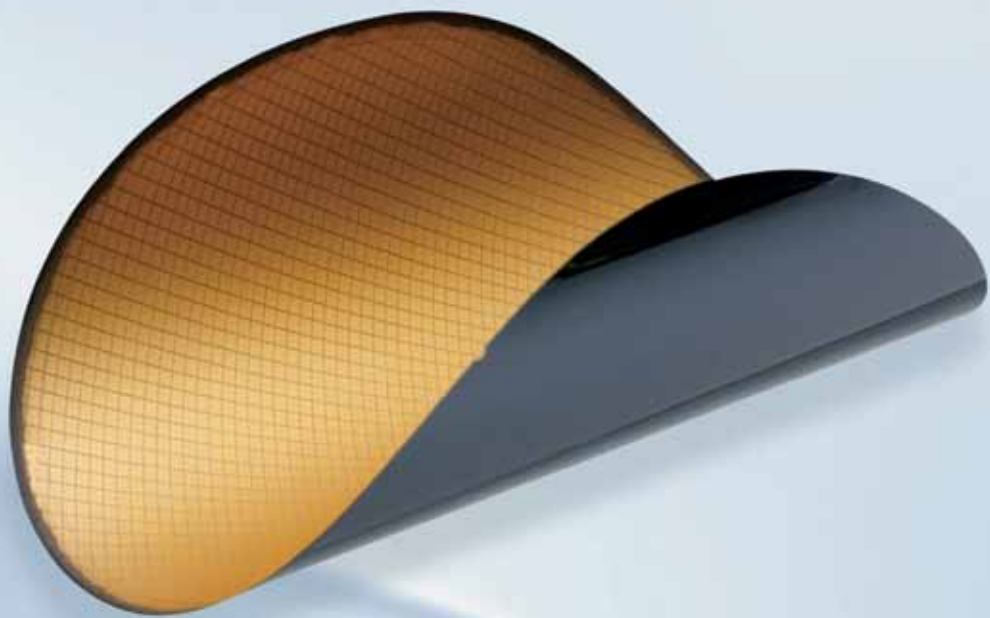
Innovations in Production

Hallmarks of Villach microchip production are innovative processes and technologies that are unique the world over. Infineon is driving structural change in microchip production and is following the route to the “innovation fab”. In the course of the transition from mass production to the innovation fab, our employees focus on innovations in production along the entire value chain - from inception, through the processes, to the customer. In this way an important contribution is made to competitiveness and to future-proofing the production site.

Innovations in production center on single process technology, equipment, new materials and forward-looking automation, digitizing and manufacturing concepts. For example, the iRobotics (intelligent Robotics) innovation project addresses the optimal interplay of man and machine.

The aim is for flexible robots to automatically load and unload machines and so free up production employees for more efficient tasks. Digitizing concepts aim at using the data generated millions of times over in order to avoid errors and raise quality on the one hand, and to facilitate human work and increase transparency on the other.

Minimum Feature Sizes



Global Thin-Wafer Responsibility

One of the greatest challenges in the field of power semiconductors is chip production on thin wafers. Villach has the sole responsibility worldwide for production on silicon wafers as thin as 40 microns and for development of ultra-thin silicon down to 20 microns. By comparison a sheet of paper is roughly 100 microns thick. Accordingly, thin wafer processing calls for special care.

The use of thin wafer technology ensures increased electric power and lower line losses for automotive or industrial products, without incurring higher switching losses. That is to say, thin wafer technology makes a significant contribution to the energy efficiency of end devices. Infineon Austria received the 2009 Inno-vation and Research Award of Carinthia for this outstanding expertise.

The Intelligent Fab

The Villach production facility was the first in the world to control its production units with the aid of various radio technologies. The software for this project (dubbed iFab) comes from the Infineon subsidiary in Klagenfurt while the complex chip technology comes from the Graz Development Center. Today this logistics system is already being successfully used in other Infineon fabs.



People Are Our Success

Creating an environment in which innovations fall on fertile ground is a central issue addressed by Infineon Austria human resources. Advanced human resource management is practiced to generate models and programs for a progressive culture of innovation, and innovative approaches are taken to offer our employees from around 40 nations an ideal framework for their daily, challenging work.

By virtue of motivation, flexibility and know-how, the employees make a vital contribution to Infineon's corporate success. Their creative and innovative potential is a valuable asset for Infineon and it is important for constant improvement. Infineon's appreciation of its staff finds expression in many employee benefits. Health promotion and health care are pursued by a wide range of activities encompassing information, advice, exercise and sports (see section headed Protection of Human Beings and the Environment).

Lifelong Learning and Knowledge

Great importance is attached to education and training in all areas of the company as it is decisive for our competitiveness. We even took advantage of the global economic crisis and the associated shortfall in capacity utilization in 2009 to carry out staff training. At the end of January 2010, the Federal Ministry of Economic Affairs conferred the Knowledge 2009 state award on Infineon for the company's commitment to further training.

Another avenue we explore at Infineon to share knowledge are in-house technical training sessions held by the company's technical experts.

The Infineon idea management program, "YIP" (Your Ideas Pays), allows our employees to participate in the success of the ideas and motivates them to submit suggestions for improvement and drive them ahead. The Infineon-wide program generates significant benefit for the company every year.

Following an opening statement for the year 2005, in the year 2010 Infineon Austria published its second Intellectual Capital Statement 2009 in which we depict, analyze and take stock of our intellectual capital and knowledge management according to defined indicators. For the first time, this follow-up statement provides data for a four-year observation period.



Promoting Corporate Diversity

Infineon Austria strives to attract the best brains to the company, to integrate people from diverse cultures and to retain their services, their enthusiasm and their knowledge. This is achieved by a variety of recruiting activities or intercompany initiatives such as the Carinthian International Club, a platform on which an international community employed in industry and commerce can exchange experience and information (see Company Overview).

An out-of-the-ordinary scheme has also been implemented in the “be different” pilot project. Selected employees taking part in a specialist development program change their job in the company for an individually agreed six- to 24-month term, for example, by going from production to marketing or vice versa. By broadening the specialists’ expertise, establishing closer links between production-related aspects and market products, and by improving understanding of the processes in the value chain, optimal solutions for our customers can be found faster.

Winning Young People for Technology

To inspire youngsters’ interest in technology early on and so provide for new blood in microelectronics is a matter of great concern to us. The activities we undertake range from the “Summerkids” vacation childcare scheme offered for the first time in August 2009, to selected programs for promoting young talent. Last year Infineon Austria participated for the first time as a partner company in the YPD Challenge organized by the Marketing and Event Manager Hannes Jagerhofer. In this contest young people compete on the Internet for the most attractive vacation jobs. A special six-week YPD training program giving a general picture of the semiconductor industry - “from the idea to the chip” - was created for the two winners of the Infineon Austria placements.

In cooperation with Carinthia University of Applied Sciences, Infineon Austria succeeded in bringing the “SEMI High Tech University” program, developed by the SEMI Foundation in the USA, to Austria in 2008. This program, which has meanwhile been run four times, aims at introducing students to the world of microelectronics in a playful, uncomplicated way. It also shows the students the attractive career opportunities in microelectronics.

To ensure sufficient technical staff in future, Infineon Austria invests in apprentice training, particularly in the technical area with the dual mechatronics/electrical engineering (plant and industrial engineering) apprenticeship. In the summer of 2010 the Junior Talent Program was launched for the first time - an inter-divisional trainee program including planned assignments at international Infineon sites.



Partnerships in Research and Development

To maintain a very high standard of research, we are committed to training engineers. Long-standing collaboration with technical schools, Austrian universities and universities of applied sciences is central to this quest.

Examples of the excellent collaboration between the company and educational establishments are Infineon's cooperation in the Equipment Engineering course of studies at Carinthia University of Applied Sciences, its involvement in the "Microelectronics - Analog Chip Design" masters course at Graz University of Technology or its collaboration with the University of Applied Sciences Wiener Neustadt on test engineering. At present, for example, the University of Applied Sciences Wiener Neustadt is collaborating with Infineon in the framework of IMPROVE European research project with a view to enhancing the competitiveness of the semiconductor industry in Europe.

More Women in Technical Professions

Infineon employs a range of activities to raise women's potential in technical professions. Important aspects of this endeavor are providing optimal conditions for reconciling family life and work, offering young people role models, publicizing the interesting work of women in technical professions and increasing the number of female apprentices in technical occupations within the company. As at the end of the 2010 fiscal year (September), the share of female apprentices at Infineon was 43 percent.

In the last fiscal year Infineon Austria also partnered the FEMtech WOMAN career program, a one-year project initiated by the Federal Ministry of Transport, Innovation and Technology to give female students studying technical disciplines/ natural sciences a start into professional life by providing mentoring, events, internships or theses based on in-company projects.

Promoting Diversity



Protection of Human Beings and the Environment

Sustainability and protection of human beings and the environment. This is the guiding principle on which Infineon focuses. We are aware of our role model status as a large industrial enterprise. Infineon Technologies Austria AG received the EMAS Award 2009 from the Austrian Ministry of the Environment for consistently interlinking environmental and economic goals.

Environmental protection has been an integral part of the corporate activity of Infineon Austria for many years. The company has been EMAS-validated since 1997. EMAS stands for “Eco-Management and Audit Scheme” and is a voluntary environmental management system for companies within the European Union. Our approach is double-pronged: On the one hand we explore every avenue to ensure responsible and sustainable management of resources within our own sphere, while on the other hand Infineon develops products suited for reducing energy consumption in the household and in industry.



Our Integrated Approach

In 2005, Infineon established IMPRES (Infineon Integrated Management Program for Environment, Safety and Health). The program covers all the processes, strategies and corresponding goals in the areas of health, occupational safety and environmental protection. In addition, at the end of 2005 the occupational safety management system was matrix-certified under the OHSAS 18001 (Occupational Health and Safety Assessment Series) standard.

The measures bear out the fact that environmental and business objectives are not mutually exclusive, on the contrary they complement one another.

“We take an integrated approach to environmental protection where energy efficiency is of strategic importance when we focus on infrastructure or the development of new processes or products.”, underlines Infineon Austria CEO Monika Kircher-Kohl.



Setting a Good Example

The office block built in Villach in 2008, primarily for research and development, is exemplary. This building supplied with geothermal energy uses the Infineon's own technologies and products, such as energy-saving power electronics for operating the ventilation systems or the CoolMOS™ high-performance power transistor for lighting control. Infineon Austria demonstrates with the building that high importance is attached to energy efficiency not only at business level, but that the company itself and its site management are geared to this goal. Another example of the quest to make the company's energy concept as efficient and as environmentally compatible as possible is the changeover of heat supply at the Villach site from natural gas to district heating. As the largest district heating customer in Villach, Infineon enables KELAG Wärme GmbH to set up a new biomass heating plant and expand the existing district heating network.

Other examples are the state-of-the-art waste water treatment plant set up in 2005 or the permanent optimization of production conditions in the interest of resource conservation and efficient use of energy. This, again, sets an example within the entire Infineon company. Environmental compatibility and sustainability also figure large in planning new processes and technologies. The employees are involved in the process so that their expertise and ideas for improved energy efficiency can be drawn on. The recent purchase of five electric bicycles also serves as a model. On the one hand they are at the disposal of the product development division - Infineon is heavily involved in the innovation area of electromobility - and on the other they give the employees the opportunity to test the suitability of the bicycles for daily use.

Health Promotion and Care

Demands in the semiconductor industry are high. That is why health promotion and care are a special concern at Infineon. To raise awareness of the need to proactively manage one's own health, emphasis is placed on care, exercise and nutrition as well as stress management, mediation or - as a new addition - burn-out prevention, with the support of the company medical service at the Villach site. Staff are offered therapeutic massages and they can take part in back or yoga training sessions in the company's physiotherapy room or free training programs at fitness studios in the vicinity. Care by a company medical service is also provided at the Graz site.

Infineon Technologies Austria AG

Location Villach

Siemensstraße 2

9500 Villach

Tel.: +43 (0)517 77 - 0

Fax: +43 (0)517 77 - 3501

E-Mail: info-austria@infineon.com

Other sites

Location Graz

Babenberger Straße 10

8020 Graz

Tel.: +43 (0)517 77 - 0

Fax: +43 (0)517 77 - 5991

Location Wien

Linke Wienzeile 4/1/3

1060 Wien

Tel.: +43 (0)517 77 - 0

Fax: +43 (0)517 77 - 11 500

DICE GmbH & Co. KG

Freistädter Straße 400

4040 Linz

Tel.: +43 (0)517 77 - 15 100

Fax: +43 (0)517 77 - 15 999

Infineon Technologies IT Services GmbH

Lakeside B05

9020 Klagenfurt

Tel.: +43 (0)517 77 - 0

Fax: +43 (0)517 77 - 4666

Infineon Technologies Romania SCS

Bd. Dimitrie Pompeiu nr. 6

Sector 2

020337 Bucharest

Romania

Tel.: +40 (0)31 860 - 77 01

Fax: +40 (0)31 860 - 78 64

Infineon Technologies (Kulim) Sdn Bhd

Lot 10 & 11, Jalan High-Tech 7

Industrial Zone Phase II

Kulim Hi-Tech Park

09000 Kulim

Kedah Darul Aman

Malaysia

Tel.: +60 427 - 8888

Fax: +60 427 - 8889

Innovative semiconductor solutions for energy efficiency, mobility and security



ENERGY EFFICIENCY

Not only are we actively working to reduce the carbon footprint of our production activities worldwide, we are also delivering the innovations required to shape a more sustainable society as we move forward.



MOBILITY

In an increasingly mobile world, we deliver a rich and deep set of technologies and solutions that raises the bar for safety, affordability and efficiency.



SECURITY

Growing mobility calls for more robust security solutions in communication, transport and IT applications. We have the industry's largest portfolio of chips and interfaces to meet the most demanding security tasks.